

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

1998 Biennial Review –
Streamlined Contributor Reporting
Requirements Associated with Administration
of Telecommunications Relay Services, North
American Numbering Plan, Local Number
Portability, and Universal Service Support
Mechanisms

CC Docket No. 98-171

REPLY COMMENTS OF BELL ATLANTIC¹

The commenters are nearly unanimous in their support for the Commission's proposal to consolidate into a single form the information that must be submitted to various fund administrators. The Commission's proposal would reduce the administrative burden on the reporting carriers, improve the accuracy of the contributor data, and make it easier for the Commission and the fund administrators to reconcile data. At the same time, many commenters agree with Bell Atlantic that the Commission's proposed "Telecommunications Reporting Worksheet" could be streamlined substantially by eliminating data that are not necessary to calculate contributions to the funds. Bell

¹ The Bell Atlantic telephone companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company.

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Atlantic's proposed worksheet addresses these points by requiring only the minimum data necessary to administer the funds.

For instance, Ameritech notes that the data in lines 203-214, 224, 231, and 232 are not used to calculate contributions, and that the data in lines 215 through 223 and lines 225 through 229 are not necessary, since the sum of those lines is shown in line 230, which is the basis for contributions. *See* Ameritech 3. Similarly, AT&T and USTA point out that the only data that the fund administrators need are gross end user telecommunications data, broken down by jurisdiction, as shown in line 230. *See* USTA 2; AT&T 5. Bell Atlantic's form meets these objections by eliminating all of the revenue data in the second page of the Commission's form, except for the data in line 230, and by relying on the form's instructions to assist carriers in identifying end user revenues that must be reported. *See* Bell Atlantic, Attachment A, p. 2. In addition, Bell Atlantic's form addresses concerns that the local number portability calculations are too complicated. *See* Bell Atlantic, Attachment A, p. 3; Blooston 7, 8; USTA 3.

BellSouth and USTA suggest that the Commission eliminate the requirement that carriers include, as end user revenues, sales to *de minimis* resellers. BellSouth 6; USTA 3. This rule requires burdensome coordination between the reseller, who must notify the underlying facilities-based carrier of its exempt status, and the carrier, who must identify revenues from that reseller. Bell Atlantic's form would satisfy these objections by eliminating the last sentence on page 7 of the Commission's proposed instructions, which requires a carrier to identify its revenues from an exempt reseller as "end user" revenues.

This change would spread the effect of the *de minimis* exemptions evenly across all contributors. *See* Bell Atlantic 3, n.5, Attachment A, Instructions, p. 7.

Several commenters express concern about maintaining the confidentiality of data, which would be shared among several fund administrators using the consolidated form. *See, e.g.*, MCI WorldCom 4-5; Sprint 4-5; BellSouth 8; Blooston 16, 17. Bell Atlantic's streamlined form would minimize the sensitivity of the data by requiring carriers to submit only aggregated end user revenues, rather than revenues by line of business as proposed in the Notice. Bell Atlantic's proposed form also retains the Commission's proposal to allow carriers to request confidential treatment simply by checking a box on the form.

Several commenters agree with Bell Atlantic that the Commission needs to conduct a cost/benefit analysis before deciding whether to use a single billing and collection agent for the four funds. *See, e.g.*, USTA 4; Ameritech 4. It is not clear whether consolidating this function would reduce costs compared to the current billing and collection arrangements, and consolidation may make it more difficult to determine obligations to individual funds. *See, e.g.*, USAC 5-6; NECA 4-5; Lockheed Martin IMS 3-4; MCI WorldCom 9.

The Commission should reject the proposals to exempt carriers who provide telecommunications services through internet technology from reporting their revenues in the worksheet for purposes of assessing contributions to the universal service fund. *See* USF Coalition 11-13; IDT 8. As in the current universal service form, the Commission's proposed worksheet makes it clear that revenues from long distance toll services include

all end-to-end voice calls made for a fee regardless of how the call is delivered. *See* Notice, Proposed Instructions, p. 23. This is entirely appropriate, as the Commission has made it clear that it is the type of service, rather than the underlying technology, that defines a carrier's obligation to contribute to the fund. All providers of end-to-end long distance toll services should contribute equally to the universal service fund regardless of the technology that a carrier uses.

Conclusion

The Commission should adopt Bell Atlantic's proposed form, which would provide the fund administrators with all of the information they need, while minimizing the burden on the reporting carriers.

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Respectfully submitted,



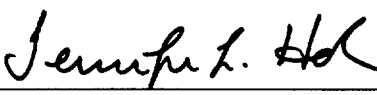
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Dated: November 16, 1998

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of November, 1998, a copy of the foregoing Reply Comments of Bell Atlantic was sent by first class mail, postage prepaid, to the parties on the attached list.



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